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Message Text

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ACTION H-03

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C O N F I D E N T I A L JIDDA 1346

E.O. 11652: GDS
TAGS: OVIP, ETRD, SA
SUBJECT: SENATOR' STEVENSON'S VISIT TO RIYADH

REF: JIDDA 1199

SUMMARY:

1. DURING SENATOR STEVENSON'S SHORT, ONE-DAY VISIT TO RIYADH FEB. 14, HE HAD APPOINTMENTS SCHEDULED WITH DR. SOLIMAN SOLAIM, MINISTER OF COMMERCE; DR. GHAZI AL-GHOSAIBI, MINISTER OF INDUSTRY AND ELECTRICITY; SHAYKH MOHAMMED ABA AL-KHAIL, MINISTER OF FINANCE; AND CROWN PRINCE HRH FAHD BIN ABDUL AZIZ. IN ADDITION, DR. SOLAIM HOSTED A LUNCHEON AT THE INTERCONTINENTAL HOTEL AT WHICH SHAYKH AHMED ZAKI AL-YAMANI, MINISTER OF PETROLEUM, DR. ABDULRAHMAN AL ASH-SHAYKH, MINISTER OF AGRICUVPURE AND WATER, AND SEVERAL LESSERSOFFICIALS WERE PRESENT. THE AUDIENCE WITH HRH PRINCE FAHD LASTED OVER TWO HOURS (REFTEL). UNFORTUNATELY THIS RAN THROUGH THE TIME ALLOTTED FOR THE MINISTER OF FINANCE, THUS FORCING THE SENATOR TO FOREGO THAT APPOINTMENT. THE SENATOR'S COLUCOTRS SPOKE IN A COMMON, NATIONALISTIC VEIN ABOUT ARAB BOYCOTT. END SUMMARY

2. SUMMARY OF OTHER CONVERSATIONS FOLLOWS:
A. DR. SOLAIM: CONSIDERING SOLAIM'S POSITION AS MINISTER OF COMMERCE, THUS IN CHARGE OF THE BOYCOTT OFFICE, CONVERSATION CENTERED ON BILL
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RECENTLY SPONSORED BY SENATOR STEVENSON CONCERNING

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COMPLIANCE OF U.S. FIRMS WITH THE BOYCOTT.
SENATOR STEVENSON STRESSED POINT THAT THIS

BILL IS INTENDED TO HELP BOTH THE ARABS AND
U.S.-ARAB RELATIONS, AND THAT IT IS A MODERATE
BILL, ONE THAT ARABS COULD MORE EASILY LIVE
WITH THAN ONE OF THE SEVERAL MORE EXTREME
BILLS THAT HAD BEEN SUGGESTED. HE SAID HE HAD
NO QUARREL WITH RIGHTS OF ARAB STATES TO IMPOSE
ECONOMIC BOYCOTT, BUT HE AND MOST AMERICANS
DID QUARREL WITH SECONDARY BOYCOTT. HE SAID
WE FELT IT AN INFRINGEMENT OF OUR NATIONAL
SOVEREIGNTY FOR FOREIGN POWER TO TELL ONE U.S.
COMPANY IT COULD NOT DEAL WITH ANOTHER U.S.
COMPANY WITHIN U.S. SOLAIM SAID HE COULD SEE
THIS POINT, BUT ON OTHER HAND, FELT IT WITHIN
RIGHTS OF ARAB STATES TO PREVENT COMPANY ON
BOYCOTT LIST FROM SELLING TO THE ARAB STATES
BY INDIRECT MEANS OF PROVIDING GOODS AND SERVICES
VIA INTERMEDIARY OF A PRIME CONTRACTOR. IT WAS
CLEAR THAT BOTH SENATOR AND SOLAIM WERE VIEWING
ISSUE DIFFERENTLY; EACH AGREED THAT HE COULD SEE
OTHER'S ARGUMENT FROM OTHER'S VIEWPOINT, BUT
THAT IT WAS IMPOSSIBLE, FROM HIS OWN VIEWPOINT,
TO CHANGE HIS MIND ABOUT THE ISSUE. IN FACT,
EACH AGREED THAT IF HE WERE IN THE OTHER'S POSITION,
HE WOULD PROBABLY BE TAKING THE SAME STAND.
WITH THIS AGREEMENT TO DISAGREE, THE TWO DISCUSSED
OTHER MATTERS RELATIVE TO U.S.-SAUDI MIDDLE
EASTERN POLICY. SOLAIM EXPRESSED
ANXIETY AND CONCERN OVER THE GENERAL DRIFT IN
U.S.-SAUDI RELATIONS.
B. DR. GHOSAIBI: THE CONVERSATION WITH GHOSAIBI
WAS RELATIVELY BRIEF, BUT HE TOOK OPPORTUNITY
TO EXPRESS TO SENATOR HIS OWN PERSONAL CONVICTION
THAT THE REAL PURPOSE AND AIM OF THE ZIONIST LOBBY
IS NOT ELIMINATION OF BOYCOTT, OR RESTRICTIVE
VISA PRACTICES, ETC. IT IS THE DESTRUCTION OF
U.S.-ARAB RELATIONS IN GENERAL, AND U.S.-SAUDI
RELATIONS IN PARTICULAR. HE SAID IF BOYCOTT
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WERE ONLY ISSUE HE WAS SURE THIS COULD BE
DISCUSSED AND WORKED OUT. HE NOTED PARENTETICALLY
THAT, WHILE HAVING COME LONG WAY IN RECENT YEARS,
THE U.S. STILL HAD SOME WAYS TO GO IN ELIMINATING
DISCRIMINATION, AND WHILE HE WOULDN'T EXACTLY
USE THE WORD HYPOCRITICAL, HE THOUGHT THERE WERE
A NUMBER OF CONTRADICTIONS IN CURRENT U.S.
PROTESTATIONS ON THE SUBJECT. HE REPEATED

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THAT HE WAS VERY DISTURBED BY APPARENT EFFECTIVENESS OF SMALL, BUT VERY POWERFUL GROUP, WHICH WAS TRYING TO DESTROY RELATIONS BETWEEN SAUDI ARABIA AND UNITED STATES.
C. MINISTER YAMANI: THOUGH VERY BRIEF, THE CONVERSATION AT LUNCH TIME WTIH SHAYKH ZAKI YAMANI ALSO CENTERED ON BOYCOTT ISSUE. IN SUMMARY, YAMANI WAS ADAMANT THE THE IMPOSITION OF THE BOYCOTT WAS WITHIN THE SOVEREIGN RIGHTS OF THE ARAB STATES, THAT THEY WERE NOT FORCING ANY COMPANIES TO COMPLY WITH BOYCOTT, BUT THEY WERE SAYING THAT IF YOU WANT TO DO BUSINESS IN SAUDI ARABIA, THEN YOU MUST COMPLY WITH RULES, INCLUDING THE BOYCOTT RULES.

3. SENATOR STEVENSON EXPRESSED SATISFACTION WITH RESULTS OF HIS VISIT, BUT IN LATER DISCUSSIONS WITH AMBASSADOR AND EMBOFF DID EXPRESS SOME FRUSTRATION CONCERNING FACT THAT SAUDIS DIDN'T SEEM TO RESPOND COMPLETELY TO HIS PORTRAYAL OF BOYCOTT BILL AS MODERATE. AMBASSADOR, AND SEVERAL MINISTERS, DID POINT OUT THAT TIMING OF BILL WAS BAD (SEE REFTEL). WE ARE UNABLE TO SAY, HOWEVER, HOW THOSE COMMENTS WILL AFFECT SENATOR'S HANDLING OF THE BILL.
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